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Preparations for the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

Review of progress in the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

Report of the Secretary-General**

Summary

In pursuance of General Assembly resolutions 57/262 and 58/213, the present report has been prepared to facilitate broad consideration of the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States in preparation for the International Meeting to Review the Implementation of the Programme of Action, to be held in Mauritius from 30 August to 3 September 2004. The report offers an overall assessment of progress achieved in implementation of the Programme of Action through the efforts of the small island developing States, with the support of regional and international organizations, including the agencies of the United Nations system, as well as the donor community.

The report concludes that progress in implementation of the Programme of Action has been mixed. The small island developing States still face major challenges to their sustainable development. Accelerated implementation will require a renewal of political commitment by all States to the Programme of Action and to related international commitments and pledges.

* E/CN.17/2004/1.

** The submission of the report was delayed to reflect the outcome of the interregional preparatory meeting held in Nassau from 26 to 30 January 2004.

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I. Introduction

1. The General Assembly, by its resolutions 57/262 and 58/213, decided to convene the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, which will be held in Mauritius from 30 August to 3 September 2004, to undertake a full and comprehensive review of the implementation of the Programme of Action, as called for at the World Summit on Sustainable Development, held in Johannesburg in 2002.

2. The Commission on Sustainable Development, at its eleventh session, in pursuance of resolution 57/262, established the parameters of the review process so that it would include national and regional assessments from the small island developing States on the status of implementation of the Programme of Action; regional and interregional preparatory meeting reports; and contributions from a series of expert workshops held on issues of importance to small island developing States. Reports from international organizations and agencies of the United Nations system were also solicited, as well as the views of the donor community and development partners of small island developing States. In its resolution 58/213, the General Assembly endorsed the decision of the Economic and Social Council, in its resolution 2003/55, to convene during the twelfth session of the Commission a three-day preparatory meeting for the International Meeting. The present report has been prepared to facilitate broad consideration of the implementation of the Programme of Action during that preparatory meeting.

3. The report offers an overall assessment of progress achieved in implementation of the Programme of Action through the efforts of the small island developing States, with the support of regional and international organizations, including the agencies of the United Nations system, as well as the donor community. It identifies the structural, institutional and financial constraints faced by small island developing States and presents an overview of trends in the international economic and political landscape that have presented significant challenges to them and that limit their capacity to implement effectively the multisectoral, comprehensive Programme of Action for their sustainable development.

4. The experiences of the small island developing States in their efforts towards implementation of the Programme of Action are summarized in the present report. Section II provides a general perspective of the economic and social trends in small island developing States and their vulnerabilities. Section III reviews the follow-up of the Programme of Action and the ongoing challenges of its implementation. Other issues, some new, that have presented significant challenges to small island developing States in their efforts to implement the Programme of Action are addressed in section IV, on emerging challenges. Section V offers analysis and perspectives on means of implementation and relevant priority issues. Section VI identifies critical areas for future action to advance and enrich the implementation of the Programme of Action. These include considerations for structural transformation, institutional strengthening and capacity development at the local, national and regional levels. It also affirms the importance of the continued support of the United Nations system and the donor community for the small island developing States, so as to give fullest expression to the letter and the spirit of the commitment to partnership through international action enshrined in the Declaration of Barbados 10 years ago.

II. Economic and social trends and vulnerabilities

A. Economic overview

5. The economic performance of small island developing States over the past decade has been mixed. With few exceptions, notably among the least developed, the small island developing States have achieved on average positive annual growth rates in their economies since the adoption of the Programme of Action in 1994. Most have also recorded human development indices in the medium to high range, reflecting strong, positive performance in important social indicators, particularly literacy and health. Their generally strong economic performance, as reflected in table 1 (see annex), is attributed to their efforts for economic diversification, focusing on tourism, the exploration of niche markets for goods and, in some successful cases, such as in the Bahamas, Barbados and Mauritius, development of the financial services sector, particularly offshore banking services.

6. Growth in tourism and in other service sectors fared well in small island developing States, particularly in the Atlantic, Indian Ocean, Mediterranean and South China Sea (AIMS) and Caribbean regions. Table 2 (see annex) shows the growth in the tourism industry between 1995 and 2001, represented in terms of tourist arrivals. This key economic sector was negatively affected by the impact of international terrorism in 2001, but has already begun to show signs of recovery, albeit with increased operating costs for security incurred.

7. Growth in the financial services sector and other business sectors, including insurance, has proved very successful for some small island developing States. In the case of Mauritius, for example, the contribution of that sector to gross domestic product rose from 10.1 per cent in 1992 to 16.8 per cent in 2001. Much attention has been given to the strengthening of legislative and institutional frameworks for more effective regulation of the sector to address concerns regarding volatility, liquidity and disclosure.

8. The economic performance of small island developing States still heavily dependent on non-oil commodity exports was not as robust, because of the steady decline in commodity prices and the loss of preferential market arrangements with the institutionalization of trade liberalization in the World Trade Organization (WTO). The experience of the banana-producing small island developing States in the Eastern Caribbean in the late 1990s is an example of this.

9. Over the last two decades, the share of small island developing States in global merchandise trade declined by half (from 0.4 per cent of world exports of goods in 1980 to 0.2 per cent in 2000). However, they benefited from improvements in telecommunications and were able to maintain their share of the global trade in services (0.7 per cent). Partly due to their small size, merchandise export concentrations are substantially higher for them than for larger developing countries, and dependence in many cases on a few primary commodities has made export revenues volatile.

10. While some small island developing States saw increased private financial flows, particularly foreign direct investment, in the 1990s, others saw declines as foreign direct investment was attracted to countries with larger markets. Overall, foreign direct investment inflows to small island developing States, illustrated in

table 3 (see annex), roughly doubled from 1994 to 1999, but have declined since then.[1]

11. Beyond the difficulties in participating effectively in the highly competitive international trading environment inaugurated by WTO, the small island developing States also saw a decline in overall official development assistance by an average of 50 per cent, as illustrated in table 4 (see annex). Aruba, Barbados and Trinidad and Tobago recorded net negative official development assistance flows in 2001. The Dominican Republic, Guyana and the Marshall Islands were among those that enjoyed a net increase in official development assistance over the period.

12. Notwithstanding the opportunities for economic diversification and growth presented by globalization, nearly all small island developing States reported high vulnerability in economic performance, including concerns of marginalization in the challenging international economic conditions created as a result of globalization. This situation was further exacerbated for many of them by unforeseen natural and environmental disasters that retarded economic and infrastructural development and diverted scarce resources to rehabilitation and reconstruction. 1998 was a particularly destructive year for hurricanes and cyclones in small island developing States.

13. The limited economic opportunities available to small island developing States contributed to the increased migration of skilled nationals in particular, adding still another challenge to their efforts to compete effectively in a high-technology international environment. Dependence on remittances and development assistance from both bilateral and multilateral sources increased in many small island developing States.

B. Tourism

14. While the importance and degree of development of tourism varies among small island developing States, it remains a principal economic activity in a large majority of them. Tourism in small island developing States increased by about 60 per cent in the 1990s, providing expanded economic opportunities, but also posing economic, social and environmental challenges. Tourism and its economic contribution to the economies of small island developing States are threatened by overdevelopment, pollution, loss of biodiversity, climate change, beach erosion, social and cultural conflict, crime and, more recently, the threat of terrorism. Following the terrorist attack of September 2001, tourism declined, but is now recovering.

15. Many small island developing States, particularly in the Caribbean region, have well-established tourism industries built on diversified activities, strong reputations, high levels of repeat business and a solid infrastructure including roads, telecommunications, utilities, airline services, and airport and seaport facilities. The Caribbean hosts approximately 50 per cent of the world's cruise tourism berths, and Caribbean small island developing States have made large investments in port facilities and have developed effective economic relationships with cruise lines.

16. The majority of small island developing States have embarked on initiatives aimed at building a wider, more sustainable base of support for the tourism industry among the local population, promoting participatory action and a sense of ownership

in order to ensure the success of the industry. Greater attention on the part of all stakeholders to the implementation of effective sustainable tourism development is required. Key measures would include ensuring that tourism development and environmental management are mutually supportive and that integrated planning, policies and implementation plans provide for environmental impact assessments for all tourism projects and cultural impact assessments for all large tourism operations.

17. While there is a continuing need for foreign investment and technology transfer to expand and modernize tourism infrastructure, it is important that all segments of society participate in the planning and development of tourism and that its benefits be distributed widely. Also lacking are integrated plans or planning processes that address issues such as carrying capacity, tourism supply and demand, resource utilization and economic, sociocultural and environmental impacts.

18. There is a great potential in many small island developing States for the further development of ecotourism, which is currently a small share of the tourism market but is growing rapidly. Ecotourism could provide employment and generate income while helping to protect and conserve natural resources and contributing to the implementation of national biodiversity action plans. The varied cultures of the small island developing States also present opportunities for the development of cultural tourism.

19. Important steps are being taken by many small island developing States at the national and regional level to strengthen tourism planning and management so as to include environmental concerns and maximize social and economic benefits. A wide range of laws have been enacted to strengthen environmental management, including the establishment of land use standards for tourism development, integrated watershed and coastal area management systems and approaches, and the strengthening of environmental frameworks.

C. Social conditions

20. Small island developing States for the most part rank in the high-to-medium range of the United Nations Development Programme (UNDP) human development index. Roughly half of those for which data are available on progress towards the Millennium Development Goal on poverty reduction are on track, while the other half are either lagging far behind or, in one case, slipping back. The small island developing States have been paying increasing attention to poverty eradication, consistent with their commitment to people-centred strategies of sustainable development and to the implementation of the Millennium Development Goals.

21. In the Pacific region, Papua New Guinea, one of the few countries with recent poverty data, is among those lagging behind in progress towards the Millennium Development Goal on poverty reduction. While abject poverty is rare in the Pacific small island developing States, the lack of access to economic resources, employment, education, health care and social protection has resulted in relative deprivation and a poverty of opportunity. Women and children are often the most disadvantaged, along with marginalized groups such as persons with disabilities.

22. The Pacific small island developing States have worked to integrate the Millennium Development Goals and associated indicators into national planning processes and to monitor their implementation. Regional efforts have been made to

support and reinforce national poverty alleviation activities — for example, through the Pacific Islands Forum Basic Education Action Plan, funded largely through the European Union's ninth European Development Fund, as well as the New Zealand Agency for International Development.

23. Pacific development partners have been assisting in strengthening institutional capacities to quantify and assess poverty, formulate prioritized strategies and implement and monitor programmes of direct assistance to reduce poverty. With the growing focus of the development community on poverty alleviation, there has been a tendency towards duplication of effort, and there is therefore a need for increased coordination and sharing of information among all stakeholders.

24. Poverty is a critical social problem facing all Caribbean countries and has been identified as a major challenge and the root cause of a wide spectrum of other socio-economic problems facing these countries, such as crime. Children constitute a large proportion of the poor and are the most adversely affected.

25. Several Caribbean countries have reaffirmed their commitment to implementing the decisions agreed at the World Summit for Social Development, held in Copenhagen in 1995, and in the Directional Plan of Action for Poverty Eradication in the Caribbean, adopted in Trinidad and Tobago in 1996. Poverty reduction policies, programmes and plans have been developed, coordinating mechanisms have been created and a number of national poverty reduction surveys have been conducted. Social investment funds to meet the basic needs of the poor have either been established or are being established in several small island developing States.

26. The countries of the AIMS subregions vary greatly in their incidence of poverty. In Maldives, for example, the income of about 40 per cent of the population is below the national poverty line of $5 per day, whereas Bahrain has high levels of human development. Governments are working to raise standards of living in order to reduce poverty, and many have adopted national strategies for this purpose. In many countries, greater emphasis has been placed on participatory approaches and community involvement in order to strengthen the capabilities of the poorest segments of the population through the provision of resources, credit, training and empowerment.

27. Governments need to develop policies and frameworks to foster innovative micro, small and medium enterprises, revitalize productive capacity and stimulate employment opportunities. Also important is the efficient provision of government services through sound financial management and good governance, with broad-based consultation and analysis of social impacts.

28. Infant mortality rates, which are closely related to poverty, have declined over recent decades in many countries, and plans, programmes and initiatives have been developed to further reduce child mortality where progress has been slow. Maternal mortality rates are low in many countries and have been substantially reduced, notably in several Caribbean small island developing States where the Millennium Development Goal target has already been achieved. Some small island developing States have recorded improved quality of health-care services, including increased attendance by health-care professionals during childbirth. However, in other small island developing States, particularly in the Pacific, limited access to health services, including reproductive health programmes, remains a challenge. There is a

need for trained personnel and institutional strengthening, including the improvement of health centres and district hospitals.

29. Some intergovernmental organizations and regional political processes of small island developing States, including meetings of heads of Government, have given mandates to create regional health and development commissions to advocate, review and help propel health to the centre of the development process and to draw on the results of medical and other scientific research to inform decisions at all levels. Such initiatives, however, along with the commitment to meet the Millennium Development Goals, require additional investments in health to improve the lives of the poor and vulnerable.

30. There has been considerable progress among all small island developing States towards gender equality, as well as increasing recognition of the need for the integration of gender into key policy and planning processes. While significant progress has been made towards their increased participation in education and the workforce, women are still underrepresented in decision-making, both in enterprises and at the political level.

31. Although a number of national and regional initiatives have been initiated to tackle a range of women's issues, much remains to be done, including through the provision of training, particularly in the area of gender mainstreaming. There is also a need for accurate sex-disaggregated data to improve gender analysis for policy development and to promote gender-responsive institutions and improved gender relations.

D. Special vulnerabilities

32. The special challenges facing small island developing States with respect to sustainable development were articulated in Agenda 21 and the Programme of Action and have been reiterated in subsequent discussions. Small island developing States experience specific challenges and vulnerabilities arising from the interplay of such factors as small populations and economies, weak institutional capacity in both the public and the private sector, remoteness from international markets, susceptibility to natural disasters and climate change, fragility of land and marine ecosystems, high costs of transportation, limited diversification in production and exports, dependence on international markets, export concentration, and income volatility and vulnerability to exogenous economic shocks. As a result, their economies, including trade, financial flows and agricultural production, show greater volatility than those of other countries.[2] Small island developing States have sought to address these challenges and vulnerabilities aggressively through concerted and collective national and regional efforts to build resilience to shocks.

33. Over the last three decades, the particular development challenges facing small island developing States due to their structural disadvantages have been recognized by the United Nations system and have received considerable attention from the international community as a result. The rationale for recognizing small island developing States as a special category of countries in need of differentiated and favourable treatment by their economic partners has been underlined recently in various relevant forums, including WTO. Many small island developing States have been highly dependent on market access preferences that have been or will be eroded. Those States need special support to compensate for the erosion of

preferences — for example, through investment incentives or assistance in economic diversification to reduce dependence on exports facing growing international competition as a result of liberalization.

34. Partly on the basis of their economic vulnerability, a number of small island developing States are recognized by the United Nations as least developed countries, qualifying them for certain benefits relating to international finance and trade. In recent years, the proposed graduation of some small island developing States from least developed country status has raised questions regarding the loss of such benefits. This question presently affects two small island developing States (Cape Verde and Maldives) that qualify for graduation on the basis of their relatively high income per capita and human capital measurements. Three other small island developing States (Kiribati, Samoa and Tuvalu) might qualify for graduation in the medium term. In this circumstance, there is agreement on the need for smooth transition policies for graduating countries, an aim that has been expressed and reiterated by the General Assembly and the Economic and Social Council.

III. Follow-up of the agenda of the Programme of Action

A. Climate change and sea-level rise

35. Climate change and sea-level rise pose a major threat to small island developing States. The very existence of some small island developing States, including Maldives, Tuvalu and many other islands in the Pacific, is threatened by sea-level rise due to global warming. More immediately, global warming and climate change have brought an increase in extreme weather events, coral bleaching, coastal erosion, the disruption of agricultural activity and vector-borne diseases and reduced resilience of land and marine ecosystems. Climate change and sea-level rise threaten serious economic damage to many small island developing States, particularly in highly developed areas right on the coast with buildings and infrastructure for tourism, fisheries and other important economic activities. Much effort has been devoted to vulnerability assessment, adaptation planning and capacity-building to address the threat of climate change. This has included the implementation of a range of national and regional enabling activities designed to strengthen institutional capacity and information networks.

36. In the Caribbean region, a number of regional activities have been undertaken since 1994 to address climate change, including Caribbean Planning for Adaptation to Global Climate Change and Mainstreaming Adaptation to Climate Change, both funded by the Global Environment Facility (GEF) and other donors. The Caribbean Community has recently established a Climate Change Centre, which is still in its early implementation stages, and its long-term sustainability will require further international support.

37. In the Pacific region, similar efforts have been undertaken with the establishment in 2000 of the Regional Framework for Action on Climate Change Variability and Sea Level Rise and the development of the Pacific Umbrella Initiative on island adaptation. The Pacific Islands Climate Change Assistance Project has been undertaken with support from GEF, UNDP and the South Pacific Regional Environment Programme (SPREP).[3]

38. At the international level, donor support has increased in some areas. At the ninth Conference of the Parties to the United Nations Framework Convention on Climate Change (Milan, December 2003), the need to augment support for the trust funds to facilitate the participation of small island developing States was highlighted. The ratification and implementation of the Kyoto Protocol as an important step towards the effective management of greenhouse gas emissions is also important. The United Nations system has also supported a number of activities as part of the climate change efforts of small island developing States, including cross-sectoral initiatives to examine climate change and health in their regions.

B. Natural disasters

39. Small island developing States remain extremely vulnerable to natural and man-made disasters. Since the adoption of the Programme of Action, they have collectively suffered the effects of numerous extreme weather events annually. They face the continuing challenge of dealing with the unpredictability, frequency and intensity of these events. Because of the consequent diversion of resources from long-term development plans to deal with reconstruction and rehabilitation, natural disasters continue to pose a formidable challenge to sustainable development for most of them.

40. In seeking to build resilience to disasters, small island developing States have given greater attention to disaster preparedness and planning. Attention has also been given to anthropogenic factors, which exacerbate the damage caused by a natural disaster. In this regard, Governments have sought increasingly to work in partnership with community-based groups to increase public awareness and participation in disaster prevention and mitigation. Much effort has also been put into the establishment of disaster management agencies, and some small island developing States have established national early warning systems and disaster mitigation plans, including oil spill contingencies. Still, contingency planning and response preparedness in small island developing States remain fairly weak, and disaster management and response offices are not adequately staffed with trained personnel.

41. National action has been complemented by more coordinated regional initiatives for disaster preparedness, management and recovery. Projects have been initiated by regional institutions such as SPREP and the Caribbean Disaster and Emergency Response Agency, with the cooperation and support of international agencies. Regional efforts to upgrade meteorological services have been undertaken, for both climate change and disaster preparedness. At the international level, the review of the 1994 Yokohama Strategy is bringing renewed attention to both national and regional deficiencies in existing strategies. Activities for the period from 2005 to 2015 are to be developed for the Second World Conference on Disaster Reduction, in January 2005.

C. Water, sanitation and waste

42. While there has been significant development in the area of freshwater resources, watershed management in many small island developing States is still weak, because of the inadequacy of technical equipment, trained technicians, data on groundwater systems, watershed planning and management systems. This has resulted in the inadequate monitoring of the supply and quality of freshwater. There is a need to promote at the community level greater awareness and understanding of the impact of economic activities such as mining, forestry and agriculture on water resources. Poor effluent disposal, the use of fertilizers and pesticides and increased saltwater intrusion represent continuing threats to limited freshwater sources in small island developing States. New technologies are being tested successfully in some small island developing States, such as scavenger wells for extracting underground freshwater overlying salt water and reverse osmosis for desalination. Another cost-effective approach to improving water supplies is rainwater harvesting: although it has historically been neglected, it is gaining popularity in many small island developing States and other developing countries.

43. Sanitation is a high priority for small island developing States due to the impact of untreated sewage on health, water quality and the environment. Some small island developing States have in recent years seen increases in gastrointestinal illness, in particular among children, as a result of water being polluted by untreated sewage. Untreated waste water discharged into coastal waters has contributed significantly to eutrophication, damaging coastal ecosystems and coral reefs. Such contamination, in addition to harming health and the environment, can have major negative impacts on tourism.

44. Most small island developing States also continue to grapple with the challenge of solid waste management. They are constrained by the inadequacy of financial resources, weak institutional capacity, lack of trained personnel and limited space for landfills. Most lack effective waste management legislation, policies, plans and systems.

45. A UNDP-sponsored expert meeting on waste management in small island developing States held in Cuba in 2003 identified several national and local-level technologies that could be suitably adapted for the needs of small island developing States. Their needs in this area are considerable, and international support could be channelled through regional institutions and initiatives where they exist.

D. Coastal and marine resources

46. Many small island developing States have large coastal zones and very large exclusive economic zones relative to their size, populations and economies. Fisheries and other marine resources are economically critical in many small island developing States, providing a large share of the food supply, employment, economic activity and income. These resources are threatened by overexploitation, destructive harvesting, land-based pollution, pollution from ships, coastal development, climate change and invasive alien species.

47. The greatest threat to the coastal and marine environment comes from land-based sources of pollution, including human waste, industrial effluent and agricultural run-off. Addressing these issues has been a focus of the Global

Programme of Action for the Protection of the Marine Environment from Land-based Activities.[4] Support has also been provided by the Global Environment Facility under the focal areas of biodiversity and international waters.[5]

48. Managing the large coastal and marine areas is a major challenge for the sustainable development of small island developing States. Most lack the resources, institutional capacity and scientific and technical expertise for effective national surveillance, monitoring and management. Regional organizations in the Pacific and Caribbean regions are promoting cooperative mechanisms. Progress in regional cooperation has been achieved in the area of fisheries, including through the establishment of legal regimes. International support has been targeted on specific areas such as fish stocks assessment, ocean observation and monitoring, and direct payments for fishery licences.

E. Land resources

49. There is wide variability among small island developing States in the quality and availability of land resources. In many cases, the good-quality agricultural land is already used intensively, posing challenges for food security in the context of continuing population growth. Inappropriate land use, deforestation and lack of adequate planning have caused soil erosion in many small island developing States, degrading the already limited land resources. At the regional level, small island developing States have been cooperating in their implementation of the United Nations Convention to Combat Desertification and in establishing research into pest management and improved crops. They have also been taking initiatives to diversify agricultural production in response to declining revenues from traditional export crops. For export products, there is a need to strengthen quality control to meet the increasingly stringent requirements of export markets.[6]

F. Energy

50. For the majority of small island developing States, imported petroleum is the chief source of primary commercial energy and is essential for transportation and electricity generation. The cost of electricity generation is relatively high because of their transportation costs, small-scale generating systems and small and scattered population centres. The high cost of power is an obstacle to foreign investment and represents for most small island developing States a significant proportion of import costs.

51. A reduction in energy imports based on renewable energy generation, or on increased energy efficiency and conservation measures, could contribute significantly to improving the economic and environmental situation of small island developing States. However, in many such States, there is limited awareness of energy efficiency and conservation measures, misconceptions regarding the potential of renewable energy and lack of capacity for new energy technologies.

52. Most small island developing States have renewable energy resources that could be developed to reduce dependence on energy imports. Many have developed or are developing hydropower, geothermal power, solar power, wind power and biomass energy, in some cases through private/public partnerships. In a number of small island developing States, small-scale solar photovoltaic power systems have

been used to provide electricity in rural areas and on remote islands on a pilot scale, but more work on financing and institutional arrangements is needed to realize their full potential. Wind power has become an economically viable option for commercial energy services in many small island developing States as a result of recent technological advances. Biomass fuel, often from agricultural or agro-industrial residues, is a potential substitute for fossil fuel and would contribute to agricultural incomes as well.

53. The use of organic wastes — including sewage, household garbage and office paper — in waste-to-energy or biogas systems could contribute to increased energy independence while reducing pollution, contributing to waste disposal and providing a source of organic fertilizer. Also untapped are the vast energy resources of the tropical ocean, although substantial technological advances will be required to make their exploitation viable.

54. There is a need for technology transfer and national and regional capacity-building in renewable energy and energy efficiency. Regional task forces have been established for developing regional energy policies, as well as programmes for the dissemination and use of energy efficiency and renewable energy technologies. However, a lack of sufficient financing to go beyond pilot or demonstration projects is a key constraint. There are also practical problems, relating to policy frameworks and legislation in some small island developing States, preventing the widespread application of such technologies. International support has been made available to study such obstacles.

G. Biodiversity

55. Many small island developing States, as a result of their geographical isolation, have a large number of unique species of plants and animals and hence make a relatively large contribution to global biodiversity. However, their ecosystems are small and vulnerable to disruption by climate change or other human activities. Small island developing States therefore have many rare, endangered and threatened species.[7] Coral reefs are particularly rich marine ecosystems that are under threat. A major source of support for protecting biodiversity in small island developing States has been GEF, through its role as the financial mechanism for the Convention on Biological Diversity.

56. All small island developing States are parties to the Convention on Biological Diversity and most have developed national biodiversity strategies. Financial and other resource constraints, however, have undermined their efforts to implement these national strategies. Those efforts should benefit from the decision taken by the parties at their February 2004 Conference to strengthen work on island biodiversity.[8] For many small island developing States the protection of traditional knowledge relating to biodiversity is also very important. This is an area in which further attention at the international level is required, since there still do not exist accepted international standards to accord intellectual property rights to communities or multiple entities.

57. At the same time, small island developing States report that bioprospecting and biopiracy continue to rise, and regional approaches are recommended in the face of limited capacities and resources. Strengthening networks and partnerships to provide ongoing support to existing community-based conservation areas, and to encourage

the development of new ones, is also recognized as an effective way to achieve genuinely sustainable development and effective protected-area conservation at the community level. Integrated, programmatic approaches to addressing biodiversity issues are needed. Further international support for such integration would be more beneficial in the long term than the project-based assistance seen to date.

H. Transport and communications

58. The isolated and remote nature of many small island developing States means that transport and communications are central to maintain contact and linkages with the rest of the world. Transport and communications networks in small island developing States are often fragmented, costly due to service monopolies and generally poorly developed and maintained. Poor long-term planning and needs assessment have resulted in the inadequate maintenance of existing assets and development of new assets.

59. High transportation costs, because of distance and lack of volume, add substantially to the costs of doing business in small island developing States. A recent study supported by the Commonwealth Secretariat[9] concluded that the penalty for smallness, which is greater for exports than for imports, is quite large, particularly for maritime transportation. Small-scale trade also involves delays as larger cargoes are assembled.

60. The challenges of transportation logistics facing small island developing States can be substantial. People in Kiribati and the Federated States of Micronesia must travel from one end of their archipelagic States to the other by way of the United States of America. Transportation linkages between countries in each region are complicated by a lack of coordination of airline schedules, which often makes indirect travel through de facto hubs such as Fiji and Puerto Rico necessary. Regional policies have yet to effectively address this problem, hampering trade and tourism development.

61. The rapid development of information and communication technologies (ICT) holds the potential of reducing the isolation of small island developing States, connecting them more extensively to the rest of the world. This in turn opens up possible new economic opportunities, which they have exploited to varying degrees — e.g., remote information-processing, technical-support and call-centre services. In the context of the development of science and technology in small island developing States, there are fledgling initiatives aimed at strengthening ICT literacy and skills development. International support for infrastructure development as well as for supporting the promotion of appropriate policies is required.

62. While small island developing States recognize the potential of information and communication technologies, there is a digital divide within and among such States, with new technologies just beginning to penetrate many of them. Delays in exploiting the opportunities offered by these technologies threaten to further increase the already wide gaps between developed and developing countries, particularly small island developing States.

63. In an effort to assist small island developing States, the United Nations has worked in partnership with regional and national entities to aid the development of Radio and Internet for the Communication of Hydro-Meteorological and Climate-

related Information (RANET-Pacific), which is intended to link remote locations in the Pacific to vital information services, such as the Small Island Developing States Information Network (SIDSNET). RANET-Pacific will build on the successful RANET project for Africa that used satellite data transmission, wind-up radios (no batteries, no electricity), solar-powered computers and desktop radio transmitters. RANET-Africa has been providing vital weather, water and climate information to remote villages in Africa and has had a positive impact on agricultural production and on the use of available freshwater. It is expected that similar results can be achieved in the Pacific. In addition, SIDSNET has expanded to include a regional presence in all three small island developing States regions, with centres in Jamaica, Mauritius and Samoa. A developing partnership with UNDP is also promising a better-integrated platform for networks involving small island developing States and for establishing a roster of their experts, best practices and success stories. Further international support is required for infrastructure development and policy development.

I. Technology

64. Gaining access to and implementing appropriate technology have been continuing challenges for small island developing States. Specific application areas for science and technology are wide-ranging, including agriculture, forestry, fisheries, water resources, marine science, energy, climate change, land use management and planning, transportation and sustainable development. There has been very limited funding available to small island developing States for this purpose. The lack of capacity in science and technology underscores the potential role for regional and national universities based in small island developing States. However, their tertiary institutions have, to a large extent, faced many challenges in making the transition from conventional education to producing the trans-disciplinary education, research and consulting services needed to develop the individual, institutional and system capacity required to respond to the challenge of sustainable development. The proposal for a consortium of universities in small island developing States could thus be very helpful for the further development of appropriate technologies for them.

IV. Emerging issues

A. HIV/AIDS

65. Small island developing States must also address the issue of HIV/AIDS, which is increasingly prevalent in many countries. HIV/AIDS is particularly devastating for countries with limited skilled workforces, taking a severe toll on their economies as the economically active succumb to AIDS-related illnesses, income levels are reduced and the social fabric is undermined. The management of HIV/AIDS is both an urgent health issue and a development issue.

66. The incidence of HIV/AIDS is a major concern in the Caribbean. Except for sub-Saharan Africa it is the region hardest hit by HIV/AIDS. The region has an estimated 2.3 per cent adult HIV prevalence rate, and some countries have substantially higher rates. The AIDS epidemic in the Caribbean has shifted to

younger populations, especially females. It has already begun to have an impact on Caribbean societies and economies in terms of loss of human potential and productivity and economic costs. Most HIV/AIDS cases occur among people aged 15 to 39, the prime productive and reproductive age group.

67. The regional conference on HIV/AIDS held in Barbados in September 2000 was widely considered the defining moment in regional awareness and commitment to respond aggressively to this pandemic in the Caribbean. Practical measures introduced by countries include the introduction of anti-retroviral treatment; the implementation of nationwide AIDS awareness campaigns and HIV/AIDS education programmes; and national AIDS prevention and control programmes.

68. In the Pacific region, a number of activities targeting HIV have taken place since 1994. Although in most countries the known prevalence rate has remained relatively low, the levels of risk factors for HIV transmission are high. More recently, there has been a substantial increase in momentum in the region's efforts to fight HIV, with significant new initiatives including the regional project under the Global Fund to Fight AIDS, Tuberculosis and Malaria, which will strengthen HIV/AIDS treatment and care, prevention and surveillance in 11 countries.

69. In AIMS countries, HIV/AIDS is becoming more widespread. The first cases of HIV/AIDS in Cape Verde, for example, were recorded in 1986. As of 1997, the incidence rate was estimated at between 1.5 and 2 per cent.

70. Many small island developing States have responded to the HIV/AIDS pandemic by establishing high-level councils or commissions charged with facilitating, coordinating and monitoring control and prevention. In Barbados, the Office of the Prime Minister has responsibility for HIV/AIDS management. In the 1980s, the Government of Cape Verde prepared a national programme on the fight against AIDS, and the 2002-2006 national strategic plan to combat AIDS targets HIV-infected youth, street children, seamen, fishermen, the military and detainees. Mauritius, since 2001, has developed a national anti-AIDS strategy involving all stakeholders, with incentives to non-governmental organizations to join in the effort.

B. Security and governance

71. Peace and security, political stability, rule of law and respect for human rights, as important factors in the promotion and advancement of good governance, are being addressed by small island developing States. There is a growing reluctance among international investors and donors to allocate funds to countries lacking the stability brought by rule of law, transparency and accountability in government administration. Combating corruption is viewed by small island developing States as integral to achieving more effective, fair and efficient Governments.

72. Transnational organized crime, such as money-laundering and trafficking in illicit drugs and arms, is of continuing concern to small island developing States. Escalating crime and inadequate national security represent significant challenges for Caribbean small island developing States in particular. Of particular concern to nearly all countries are the increasing trans-shipment and use of illegal drugs and small arms and the rapidly growing incidence of violent crime. Most small island developing States are responding to these challenges through a variety of anti-crime initiatives and increased surveillance. However, the limited capacity of law

enforcement and other control agencies and the inadequacy of legal frameworks continue to undermine their efforts.

73. Recent terrorist events and related activities have highlighted the vulnerability of the most productive sectors of the region's economies. This has been exacerbated by the international obligations mandated to address these new security concerns. All countries have obligations under Security Council resolution 1373 (2001), on threats to international peace and security caused by terrorist acts. These obligations have created particular difficulties for all small island developing States, especially those with large coastal areas and archipelagos to monitor.

C. Culture

74. Small island developing States have begun to examine more closely the importance of culture and cultural development in national and regional strategies for their sustainable development. There is growing recognition that an effective development strategy for them should be cognizant of and responsive to the unique historical and cultural realities of the people involved. Culture plays a crucial role in fostering sustainable development, as it represents the collective adaptation of populations to their environments and embodies much valuable knowledge. Culture is also a force for social cohesion, stability and the maintenance of peace and security.

75. The small island developing States are now reassessing the role of culture in the implementation of the Programme of Action, because it presents the opportunity to unlock the creative potential of their peoples and to develop vibrant cultural industries. There are significant sociocultural and economic benefits to be derived from developing cultural and entertainment industries in areas such as music, art, crafts, the literary and culinary arts, fashion, festivals, theatre, film and cultural tourism. The potential for transforming the creativity that resides in the people into commercially viable activities and exports for job and wealth creation is considered significant and largely untapped in small island developing States.

76. The development of these creative industries, which have been documented by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) as being among the fastest-growing in the world economy today, will likely have a positive impact on the lives of the poor, particularly youth and women, in small island developing States, since these groups invariably produce creators of cultural products and services. Importantly, it offers talented youth opportunities that provide alternatives to crime and drugs. Cultural tourism enhances and diversifies the tourism product, while also promoting greater sensitivity to the environment.

77. The indigenous industries of small island developing States are thus increasingly being considered a way to diversify economies and to strengthen comparative advantages in the global economic environment. In this context, there is a need to take action to protect the natural, tangible and intangible cultural heritage and intellectual property rights of small island developing States; to develop cultural policies; to bring the focus to indigenous peoples; and to develop creative cultural industries that present significant economic opportunities for both national and regional development.

V. Means of implementation

A. Institutional mechanisms for the implementation of the Programme of Action

78. There is considerable evidence of the efforts of the small island developing States towards implementation of the Programme of Action. With the support of the international community, and in particular with the assistance of regional intergovernmental organizations and the agencies of the United Nations system, perceptible progress has been achieved. This is reflected in the implementation of legislation and institutional frameworks to ensure a more integrative, coordinated approach to the implementation of the three dimensions of sustainable development and the design of policies taking into account the need to ensure environmental protection and the sustainable use of natural resources while promoting sustained economic growth and social equity.

79. There has also been broader acknowledgement of the importance of an inclusive, participatory approach to sustainable development. Most small island developing States have thus enacted legislation and regulations to strengthen national sustainable development strategies, established local and national institutions, formed partnerships with civil society and sought to promote more widely at the local level awareness of sustainable development and individual and community responsibility in ensuring its advancement.

80. Greater attention has also been given to the formulation and execution of national strategies and action plans in key sectors, notably coastal zone management, watershed management, urban planning, waste management and the development of renewable energy sources. Of note is the wide participation of small island developing States in multilateral environmental agreements and other development frameworks. Most small island developing States are parties to the United Nations Convention on the Law of the Sea and related agreements, such as that on the management of straddling fish stocks, and have ratified the Framework Convention on Climate Change, the Convention on Biological Diversity and the Convention to Combat Desertification. They are also active participants in the International Convention for the Prevention of Pollution from Ships and the United Nations Environment Programme (UNEP) Regional Seas Programme. Efforts have been made at the national and regional levels to develop appropriate policies to ensure compliance with these agreements and to raise public awareness of their regimes.

81. For the most part these efforts have been pursued within the constraints of limited financial resources and weak institutional, human and technological capacity. A significant infusion of new resources would be required to support the successful mainstreaming of sustainable development into national policy.

82. In this regard, the small island developing States have faced challenges in implementation and compliance, in many cases because of the absence of expert personnel and appropriately equipped institutions to meet reporting and other requirements, including legislative and policy reform, and the insufficiency of resources to ensure effective monitoring and enforcement. Reporting requirements have been found particularly onerous because of the number of multilateral

environmental agreements and other framework agreements requiring regular submissions. The streamlining of reporting requirements is considered desirable.

83. The gap in national capacity, particularly as regards the dearth of highly skilled personnel and appropriate technology, has often been met by regional organizations. The integration of a regional approach as a central strategy in the implementation of the Programme of Action has been particularly effective, since it has facilitated the pooling of scarce resources — financial, skilled human and technological. This strategy has promoted greater efficiency and coherence in implementation. In addition to the management of regional programmes for sustainable development and the promotion of intraregional coordination, these institutions have provided valuable support in research, technical and policy advice in their areas of competence. Regional-level implementation has been pursued by the respective regional economic commissions and technical and intergovernmental organizations.

84. In the Pacific, SPREP and the secretariats of the South Pacific Applied Geoscience Commission and the Pacific Islands Forum contribute significantly to the definition of regional strategies in support of the Programme of Action at the national and regional levels. This is achieved through very effective programmes supporting capacity-building, policy development and the coordination of national and regional action.

85. In the Caribbean, regional support for the Programme of Action is pursued through a joint work programme of the subregional headquarters of the Economic Commission for Latin America and the Caribbean and the Caribbean Community secretariat, which serve jointly as the interim secretariat for the Programme of Action. Wider regional support for the implementation of the Programme of Action has been mobilized through the Inter Agency Collaborative Group, which includes a network of Caribbean regional organizations as well as the regional offices of the United Nations agencies. Further strengthening of regional coordination for implementation of the Programme of Action in the Caribbean is desirable.

86. The AIMS small island developing States have also identified the need for a coordinating mechanism for implementation of the Programme of Action. The region is currently serviced solely by the Indian Ocean Commission, which has limited membership from among the AIMS small island developing States. The Indian Ocean Commission serves as the interim secretariat for the Programme of Action, operating with considerable human and financial resource constraints.

87. Strengthening the regional institutional infrastructure is considered an efficient and effective approach to comprehensive implementation of and support for the Programme of Action. In addition to the advantages of scale in the respective regions, they offer the most effective mechanism for interregional collaboration among small island developing States, to which the States have attached great value. The scope of these institutions to undertake research relating specifically to small island developing States is also of particular importance, as most such States lack the capacity for systematic, accurate data-gathering, and there is therefore often very little data on the smaller small island developing States with which to inform national and regional decision-making or to guide development agencies and donor countries.

88. The implementation of the Programme of Action and the sustainable development strategies of small island developing States have benefited from the

ongoing support of multilateral development agencies, and those of the United Nations system in particular, a number of which have made important contributions to the collection of data relating specifically to small island developing States. In addition to valuable research on small island developing States published in its *Global Environment Outlook* series, UNEP has provided regional and national support to small island developing States in many areas, including the management of marine protected areas, the control of land-based sources of pollution, coral reef management and assessment, and various conservation initiatives associated with its Regional Seas Programme.

89. The assistance of the Food and Agriculture Organization of the United Nations (FAO) to small island developing States on the use of hurricane-resistant crops and forestry methods, its support for implementation of the FAO Code of Conduct for Responsible Fisheries through the strengthening of fishery administrations and its information and advice on food security policies and strategies have been of great value. FAO data collection and statistical analysis specific to small island developing States is also of particular value.

90. The UNESCO Small Island Voice initiative, which combines ICT with print, radio, television and other media in promoting the involvement of civil society, including youth, in discussions on critical development issues, has been one of its more recent successes for small island developing States. Its contribution to the development of culture and enhancing opportunities for youth is of increasing importance to such States, which seek to further develop cultural industries and tap the creativity of youth, while creating income-generating opportunities for them.

91. UNDP has contributed significantly to capacity development in small island developing States, most recently through the Capacity 2015 programme, which has sponsored a series of workshops aimed at building the resilience of small island developing States in respect of their inherent vulnerabilities, through capacity development in key sectors and areas identified in the Programme of Action.

92. The Department of Economic and Social Affairs, through its Small Island Developing States Unit will continue to provide substantive support for the implementation of the Programme of Action, including through the preparation of analytical reports and studies monitoring implementation and reviewing progress achieved; providing substantive support in the follow-up to the Johannesburg Plan of Implementation relating to small island developing States; providing technical cooperation advisory services, including through SIDSNET; and bringing into this process the collective efforts and activities of the agencies of the United Nations system through the coordination of an inter-agency task force.

93. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States will undertake advocacy work in favour of the small island developing States in partnership with the relevant parts of the United Nations, as well as with civil society, media, academia and foundations. The Office will assist in mobilizing international support and resources for the implementation and coordinated follow-up of the Programme of Action.

94. Continued support from the United Nations system and the international donor community is necessary for the more meaningful implementation of the Programme of Action.

B. Capacity development and education

95. Capacity development remains one of the most urgent requirements for small island developing States in their pursuit of sustainable development. The weakness of national institutions and the lack of administrative and technical capacities have constrained efforts towards sustainable development, particularly in the smaller small island developing States, and stakeholder participation has been limited. There is also limited institutional capacity for monitoring and evaluation, including for the collection, analysis and interpretation of data.

96. Valuable support has been extended to the small island developing States in this respect by UNDP through its Capacity 21 and Capacity 2015 programmes, which have strengthened national and regional capacities to assess the vulnerability of small island developing States in key sectoral and cross-sectoral areas, with a view to defining effective integrated responses to strengthen their resilience. Efforts have focused on the strengthening of public and private sector institutions, as well as on developing sound planning at the national and regional levels.

97. Still, despite these efforts, small island developing States have not achieved the requisite capacity for effective planning. Efficient planning — involving both public and private sector partners at the sectoral and cross-sectoral levels — is critical to any strategy for addressing vulnerability through building resilience. The mitigation of environmental vulnerability, for example, requires a holistic response at the social, educational and economic levels. Building resilience to the unique vulnerabilities of small island developing States demands an integrated, intersectoral approach to decision-making and policy planning and a coordinated, consultative arrangement among all development stakeholders. The small island developing States are increasingly taking into account the interdependence of decision-making and action among sectors in the implementation of the Programme of Action.

98. At the professional and technical levels, there are a very limited number of professionals in small island developing States with the knowledge and skills required to integrate effectively the three dimensions of sustainable development. Furthermore, the migration of skilled professionals has reduced the already limited professional pool. Professional development is constrained as a result of the limited availability of technical resources, ongoing opportunities to enhance skills and access to information.

99. In higher education, existing curricula are patterned after developed country educational systems, producing graduates with knowledge and skills that are more suited to developed countries than to the needs of developing, often rural, communities. Consequently, there is an urgent need for comprehensive curriculum reviews to ensure that national capacity development needs are met. Such reviews should involve a partnership approach involving government ministries, local community groups and educational institutions. Above all, there is a need to link education and training programmes with national and local sustainable development needs.

100. Primary and secondary education in small island developing States is often designed to prepare students for universities, even though in most small island developing States fewer than 5 per cent of children go on to university. There is rarely adequate provision for the large majority who do not complete the formal schooling system. The majority of people in small island developing States do not

have opportunities for continuing education after they leave primary or secondary school. There is therefore a need for informal education, public information and awareness raising in order to develop the capacity of people to contribute to sustainable development at the community and national levels.

101. Most current education and training programmes in sustainable development focus on the environmental dimension. In many cases, they do not adequately address key sustainable development issues of small island developing States. For example, higher education in such States generally needs to address waste management, coastal zone management, climate change and sea-level rise, energy management, water resources management, land use, protection of biological diversity and globalization. Few teachers have the appropriate training to address these issues effectively.

102. In general, there is little public awareness of the concept of sustainable development and little understanding of the links between environmental, economic and social issues. There is also a very limited understanding of environmental processes, ecosystems, biological diversity, carrying capacity and other critical aspects of sustainable development. The lack of public awareness, and the resulting difficulty in changing public behaviour, is due in part to a shortage of professionals with an understanding of sustainable development and the skills to communicate that understanding to the public. Education at all levels needs to address key issues of sustainable development, including sustainable use of energy, water and other natural resources, and link resource use to social issues. Education should also consider the relations of humans and human activities to nature and the environment and include traditional knowledge and values.

VI. Conclusions

103. **Progress in the implementation of the Programme of Action has been mixed. The small island developing States still face major challenges to their sustainable development, some of long standing and others of more recent origin. Key emerging challenges include those related to the implementation of effective strategies for poverty eradication and the pursuit of people-centred development, coping with the effects and the cost of international security threats on travel and tourism, the development of cultural industries and addressing urgently the growing problem of HIV/AIDS. Accelerated implementation will require a renewal of political commitment by all States to the Programme of Action and to related international commitments and pledges.**

104. **It is important that small island developing States ensure that tourism development is pursued within the context of an integrated development plan that is cognizant of social considerations and environmental management requirements. There is a need to ensure wide community understanding of and participation in national tourism strategies. Financial and technical support from regional and international tourism organizations in support of national efforts would be useful, including assistance in the development of guidelines and best practices appropriate for maximizing social, economic and environmental benefits — or, as relevant, minimizing harm — from tourism development. Partnership initiatives in this regard should be encouraged.**

105. **Concerted efforts are required to address the economic, social and environmental dimensions of poverty. Attention must be given to poverty reduction initiatives. Sustained poverty reduction will require empowering the poor to implement productive activities. A particular challenge will be to meet the needs and aspirations of youth as they prepare to join the workforce. Skills training and other informal training programmes are urgently required. International support is needed for the efforts of small island developing States to achieve the Millennium Development Goals, in particular for those lagging behind in reducing poverty and those with persistently high child mortality. Support is also needed for national and regional programmes to combat HIV/AIDS and vector-borne and non-communicable diseases, including through resources (affordable drugs), research and awareness campaigns.**

106. **The development cooperation community also needs to redouble support for the efforts of small island developing States to reduce their vulnerability to shocks, including through diversification of their economies. Many small island developing States have been dependent on preferential market access, which multilateral trade liberalization will render less important, and these countries need special assistance in strengthening trade capacity. Due consideration should also be given to compensatory mechanisms and adjustment measures to mitigate losses from the erosion of preferences and to ease the transition to the free market. Other concerns of small island developing States deriving from economic globalization include the treatment by WTO of subsidy measures taken by small island developing States to compensate for their inherent structural disadvantages and the need for assistance from UNCTAD and other relevant institutions to enhance the capacity of small island developing States for trade policy analysis and trade negotiations, including through integrated assessments of the impacts of trade-related measures on key sectors such as agriculture and services, including tourism.**

107. **At the international level there is a need for agreement on the implementation of smooth transitional measures for graduating least developed countries.**

108. **Mainstreaming adaptation to climate change into an intersectoral sustainable development strategy should remain a priority for small island developing States. This calls for integrated planning and decision-making on coastal zone management, fisheries, agriculture, tourism, energy, health and water resource management. Regional institutions for the monitoring and assessment of climate change and sea-level rise should be strengthened to afford the small island developing States the requisite technical and skilled human resources for more effective management of national climate change adaptation projects. Projects such as that proposed in the Pacific Umbrella Initiative on island adaptation should be aggressively pursued. Continued financial support from the international donor community, including agencies such as GEF, is required to strengthen national institutional, human and technological capacity for the small island developing States to meet the mandates of the Framework Convention on Climate Change. Crucially, the international community needs to redouble efforts to put in place an effective regime to deal with climate change and its consequences.**

109. To be effective, disaster preparedness and risk management should be reflected in the national sustainable development strategies of small island developing States and integrated into all sectoral policies and plans. Institutional strengthening and capacity development would strengthen long-term inter-agency coordination. Regional institutions should be strengthened to provide the required research, risk assessment and forecasting and to assist small island developing States with emergency response and mitigation measures. There is a need for cooperation with the international community, in particular international financial institutions, to address the issue of affordable insurance and reinsurance schemes for small island developing States. Regional insurance schemes also need to be explored. This is considered integral to building resilience in these disaster-prone countries.

110. With respect to freshwater resources, sanitation and waste, there is a need for more effective legislation, management and enforcement measures. Improved tracking and management of the movement and disposal of hazardous and toxic substances is particularly important for the protection of the fragile marine ecosystems of small island developing States. Their concerns regarding the exposure of their marine ecosystems to the trans-shipment of nuclear waste and the absence of compensatory regimes or emergency funds in the event of accidents should be appropriately addressed at the international level.

111. Financial, technical and technological support for the development of appropriate waste management systems in small island developing States would be very welcome. Partnership initiatives to support recycling, reuse and other environmentally sound waste management systems should be explored.

112. A continuing challenge remains that of devising and implementing policies and approaches for integrated watershed, coastal zone and marine ecosystem management. These are acutely needed as population pressures and land-based activities risk seriously degrading coastal and marine ecosystems in many small island developing States, threatening to undermine the sustainability of economically important tourism industries. Continued support from regional and international agencies that support programmes for the protection of the marine environment from pollution should be secured. Special attention and support should be given to the management of ship waste, including the problem of alien invasive species in ship ballast discharge.

113. The strengthening of regional organizations for fishery assessment and management is important. Legislation is required to empower national and regional agencies to undertake monitoring, surveillance and enforcement measures to minimize illegal, unreported and unregulated fishing and overharvesting of fishery resources. Small island developing States would also benefit from technical support in the mapping and monitoring of their extensive exclusive economic zones. Such capacity is best developed and maintained at the regional level. International financial and technical support for small island developing States for effective policing of their exclusive economic zones would be very welcome.

114. With respect to land resources, small island developing States require support to strengthen land tenure and management systems and to implement appropriate technologies to enhance agricultural production and diversify

husbandry, particularly for small landholders. Support is also needed for the strengthening of food processing and marketing infrastructure. The general lack of capacity at the national level to combat land degradation and the effects of drought needs to be urgently addressed. There is also recognition of the need to integrate indigenous knowledge into land use planning.

115. All small island developing States should complete national energy policies and ensure that they are integrated into national sustainable development policies and plans. Energy efficiency initiatives and the development of projects on renewable energy should be pursued with the support of regional organizations and the international community. Regional initiatives to support the research and development of alternate sources of energy should be identified and strengthened. Regional development banks could play an important facilitating role in this regard. International support for the development of renewable energy sources appropriate for small island developing States, through investment and partnership initiatives, should be explored.

116. At the national level, all small island developing States are committed to preparing national sustainable development frameworks, including through the involvement of civil society and broad-based inclusive dialogue. Greater synergy among decision makers from the planning, environmental, social and finance ministries/agencies is very desirable. In this context, the establishment and strengthening of national sustainable development councils could also be revisited. Support for the strengthening of community groups and local bodies to enhance their capacity to participate meaningfully in sustainable development decision-making should be pursued.

117. A critical requirement in implementing national sustainable development strategies is a supporting infrastructure for the effective exchange and movement of information. With international backing, SIDSNET should be restructured and enhanced to support capacity development in small island developing States, including through coordination with other relevant sustainable development networks, such as the Capacity 2015 Information and Learning Network. Suggestions for the improvement of SIDSNET include upgrading its design to encourage wider community usage, cataloguing capacity development methodologies and establishing regional oversight committees.

118. To further sustainable development in small island developing States consideration should be given to creating novel strategies to strengthen the implementation of the Programme of Action. Such a programme should involve a collaborative approach that includes the small island developing States, the development partners, the donor community, the regional organizations and the United Nations system. There is, in particular, a need for more systematic monitoring and assessment to indicate progress or lack thereof in implementing the Programme of Action and to identify the factors hindering its implementation. This could be undertaken within the new framework and the established programme of work of the Commission on Sustainable Development.

119. There is a need for strengthened regional mechanisms for cooperation to share information and lessons learned, to promote regional and interregional

exchange and to undertake joint projects and research activities, thus enhancing the generation and dissemination of information to support the implementation of sustainable development in small island developing States. Regional mechanisms should also assist them by devising ways and means for developing and implementing strategies.

120. The establishment of effective sustainable development financing mechanisms is needed, including through regional development banks. This should encompass innovative financing, such as social investment funds to help alleviate poverty. There is also a need to develop a small grants programme for capacity development for sustainable development, using UNDP for seed funding. The GEF small grants programme is now being extended and will provide opportunities in this regard. Additional sources of seed funding should be identified. Sustainable development financing mechanisms could cover the provision of the following:

(a) Energy investments, to address the energy vulnerability of small island developing States, finance energy efficiency improvements at all levels and develop renewable energy resources;

(b) Capacity development investments, including for education system reform, the implementation of the Millennium Development Goals and proper training for sustainable development;

(c) Direct assistance programmes for poverty alleviation, including microcredit schemes for the rural and urban poor, particularly women;

(d) Collective insurance for small island developing States in the face of climate change and increased vulnerability to natural disasters;

(e) Technology transfer, to make available to small island developing States technologies for the management of water resources and waste, for energy efficiency and renewable energy development, and for improved monitoring of meteorological conditions and various potential impacts of climate change, including impacts on biodiversity, disease prevalence and the productivity of land and marine resources;

(f) Programmes to assist the development and protection of traditional and indigenous knowledge;

(g) The active exploration of ways to make more productive use of the natural and indigenous endowments of small island developing States — such as their rich cultures and biological diversity — to generate resources for development. In this regard, protection of the indigenous intellectual property of small island developing States is also important.

121. In the area of capacity-building, international and regional support and assistance would be welcome for the proposed establishment of a consortium of tertiary institutions for capacity development and education, and for standard-setting for sustainable development in small island developing States. There is a need to ensure that sustainable development education and training provides linkages between sectors such as water, energy, land and coastal zones. There should be a national-level commitment to ensure that education maintains a strong relevance to local conditions, notably by reviewing curricula so that they meet the needs of communities. Practical applications of education in

management and participatory skills are needed, as well as ICT and vocational training.

122. **The success of small island developing States in implementing the Programme of Action at the national level will depend on effective human, institutional and technical capacity related to policy development, monitoring of implementation and coordination, especially through the support of regional organizations. At the global level, it is essential that development partners support agreed goals and assist in the implementation of actions to achieve them, particularly through the provision of financial and technical support.**

Notes

[1] *World Investment Report 2003*, United Nations Conference on Trade and Development.

[2] *Small States: Meeting Challenges in the Global Economy*. Report of the Commonwealth Secretariat/World Bank Joint Task Force on Small States, April 2000; see http://wbln0018.worldbank.org/html/smallstates.nsf?OpenDatabase

[3] See www.gefonline.org/projectList.cfm.

[4] See www.gpa.unep.org.

[5] See www.gefweb.org/Projects/focal_areas/focal_areas.html.

[6] See "FAO and SIDS: challenges and emerging issues in agriculture, forestry and fisheries", FAO paper presented at the Inter-Regional Conference of Small Island Developing States, Bahamas, 26-30 January 2004.

[7] See www.grida.no/climate/ipcc_tar/wg2/630.htm.

[8] See the draft decision submitted by the Chair of Working Group II on the multi-year programme of work of the Conference of the Parties to the Convention on Biological Diversity up to 2010, UNEP/CBD/COP/7/L.7, 17 February 2004.

[9] Winters, L. A., and Martins, P. M., "Beautiful but Costly Business Costs in Small Economies", University of Sussex, 2003.

Annex

Table 1
Gross domestic product per capita in small island developing States

Country or area	*Estimated gross domestic product per capita (current United States dollars)*[a] 1995	2001	*Compound annual growth rate of real gross domestic product per capita (percentage)*[b] 1995-2001
Antigua and Barbuda	7 737	10 204	2.9
Aruba			..
Bahamas	10 836	14 856	..
Bahrain	9 972	12 012	1.5
Barbados	7 126	9 255	3.4
Belize	2 748	3 128	1.5
Cape Verde	1 254	1 259	3.2
Comoros	352	278	-1.4
Cook Islands	5 366	4 388	..
Cuba	1 983	2 548	..
Cyprus	13 589	11 504	3.2
Dominica	2 919	3 367	1.2
Dominican Republic	1 553	2 500	5.0
Fiji	2 592	2 046	1.1
Grenada	2 883	4 682	3.4
Guinea-Bissau	226	174	-2.2
Guyana	839	936	2.0
Haiti	312	431	-0.7
Jamaica	2 303	2 990	-0.9
Kiribati	592	468	-0.1
Maldives	1 482	1 806	2.7
Malta	8 588	9 245	2.7
Marshall Islands	2 202	1 938	..
Mauritius	3 517	3 779	4.2
Micronesia, Federated States of	2 009	2 215	..
Nauru	3 772	2 500	..
Netherlands Antilles	11 518	12 149	..
Niue			..
Palau	5 493	6 179	..
Papua New Guinea	978	545	-2.1
Saint Kitts and Nevis	5 305	6 396	2.5
Saint Lucia	3 955	4 994	-0.4
Saint Vincent and the Grenadines	2 308	1 904	2.4

Country or area	Estimated gross domestic product per capita (current United States dollars)[a]		Compound annual growth rate of real gross domestic product per capita (percentage)[b]
	1995	2001	1995-2001
Samoa	1 210	1 402	4.2
Sao Tome and Principe	347	312	0.0
Seychelles	6 778	7 850	-2.1
Singapore	23 806	20 544	2.4
Solomon Islands	975	760	-5.9
Suriname	1 268	1 965	3.3
Tokelau			..
Tonga	1 573	1 284	1.6
Trinidad and Tobago	4 227	6 817	4.7
Tuvalu	1 284	1 342	..
United States Virgin Islands			..
Vanuatu	1 323	1 085	-2.3

[a] *Source*: United Nations, *World Statistics Pocketbook on Small Island Developing States*.
[b] *Source*: World Bank, *World Development Indicators*.

Table 2
Tourist arrivals in small island developing States

Country or area	Tourist arrivals		Compound annual growth rate
	1995	2001	1995-2001
Antigua and Barbuda	212	232	1.5
Aruba	619	683	1.7
Bahamas	1 598	1 577	-0.2
Bahrain	1 369	1 991	6.4
Barbados	442	515	2.6
Belize	131	181	5.5
Cape Verde	28	44	7.8
Comoros	23	24	0.7
Cook Islands	48	56	2.6
Cuba	742	1 561	13.2
Cyprus	2 100	2 434	2.5
Dominica	60	74	3.6
Dominican Republic	1 776	2 649	6.9
Fiji	318	410	4.3
Grenada	108	125	2.5
Guinea-Bissau			..
Guyana	106	75	-5.6
Haiti	145	143	-0.2
Jamaica	1 147	1 248	1.4
Kiribati	3	1	-16.7
Maldives	315	461	6.6
Malta	1 116	1 214	1.4
Marshall Islands	6	5	-3.0
Mauritius	422	578	5.4
Micronesia, Federated States of	11	11	0.0
Nauru			..
Netherlands Antilles	775	726	-1.1
Niue	53	55	0.6
Palau	53	55	0.6
Papua New Guinea	11	14	4.1
Saint Kitts and Nevis	79	84	1.0
Saint Lucia	231	261	2.1
Saint Vincent and the Grenadines	60	68	2.1
Samoa	68	85	3.8
Sao Tome and Principe	6	5	-3.0
Seychelles	121	125	0.5

Country or area	Tourist arrivals		Compound annual growth rate
	1995	2001	1995-2001
Singapore	7 137	7 522	0.9
Solomon Islands	12	21	9.8
Suriname	43	57	4.8
Tokelau			..
Tonga	29	43	6.8
Trinidad and Tobago	260	336	4.4
Tuvalu	1	1	0.0
United States Virgin Islands	454	485	1.1
Vanuatu	44	50	2.2

Source: United Nations, *World Statistics Pocketbook on Small Island Developing States*.

Table 3
Foreign direct investment inflows to small island developing States
(millions of Unites States dollars)

Country or area	*1990-1996 annual average*	*1999*	*2000*	*2001*	*2002*
Antigua and Barbuda	28	31	33	39	36
Aruba	26	392	-144	-319	241
Bahamas	41	149	250	101	200
Bahrain	650	454	364	81	218
Barbados	12	17	19	19	11
Belize	16	50	19	40	52
Cape Verde	10	53	34	9	14
Comoros			1	0	1
Cuba	1	9	-10	4	4
Cyprus	81	685	804	652	297
Dominica	24	18	11	12	14
Dominican Republic	205	1 338	953	1 079	961
Fiji	71	-20	-25	90	77
Grenada	19	42	37	49	41
Guinea-Bissau	2	9	1	1	1
Guyana	84	48	67	56	44
Haiti	1	30	13	4	6
Jamaica	160	524	468	614	479
Kiribati		1	1	1	1
Maldives	8	12	13	12	12
Malta	122	815	604	294	-375
Mauritius	21	49	277	32	28
Netherlands Antilles	-17	-22	-63	-1	-15
Papua New Guinea	295	296	96	63	50
Samoa	3	2	-2	1	1
Sao Tome and Principe		1	2	6	2
Seychelles	24	60	56	59	63
Singapore	6 856	13 245	12 464	10 949	7 655
Solomon Islands	10	-19	1	-12	-7
Saint Kitts and Nevis	20	58	96	88	81
Saint Lucia	36	83	55	22	22
Saint Vincent and the Grenadines	29	56	29	21	19
Suriname	-16	-24	-97	-27	-85
Tonga	1	2	5	1	2
Trinidad and Tobago	317	366	472	685	737
Tuvalu					
Vanuatu	29	13	20	18	15
Total	**9 169**	**18 823**	**16 924**	**14 743**	**10 903**

Table 4
Official development assistance received by small island developing States from countries of the Organisation for Economic Cooperation and Development
(millions of United States dollars)

	Official development assistance received from OECD countries	
Country or area	*1994*	*2001*
Antigua and Barbuda	4.03	8.59
Aruba	18.28	-1.70
Bahamas	0.94	8.45
Bahrain	44.71	17.88
Barbados	-0.83	-1.15
Belize	29.38	21.39
Cape Verde	121.64	76.46
Comoros	38.85	27.65
Cook Islands	14.25	4.80
Cuba	47.08	50.66
Cyprus	44.19	49.71
Dominica	17.18	19.89
Dominican Republic	61.61	105.40
Fiji	40.96	25.96
Grenada	18.17	11.51
Guinea-Bissau	174.77	58.60
Guyana	78.89	101.76
Haiti	601.61	165.83
Jamaica	109.12	54.01
Kiribati	15.35	12.43
Maldives	29.91	24.95
Malta	42.40	1.71
Marshall Islands	49.36	74.01
Mauritius	14.32	21.70
Micronesia, Federated States of	104.07	137.60
Nauru	11.12	7.26
Netherlands Antilles	37.77	58.89
Niue	6.95	3.32
Palau	201.89	34.18
Papua New Guinea	323.54	203.10
Saint Kitts and Nevis	4.70	10.62
Saint Lucia	27.52	16.23
Saint Vincent and the Grenadines	9.41	8.64
Samoa	48.37	43.07
Sao Tome and Principe	50.06	37.92

Country or area	Official development assistance received from OECD countries	
	1994	2001
Seychelles	12.85	13.50
Singapore	16.86	0.97
Solomon Islands	47.95	58.84
Suriname	60.39	23.19
Tokelau	3.01	3.88
Tonga	35.25	20.27
Trinidad and Tobago	21.35	-1.73
Tuvalu	7.37	9.51
United States Virgin Islands		
Vanuatu	41.74	31.58

Source: United Nations Statistics Division Millennium Indicators Database.